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**Moore & Van Allen PLLC**

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100 North Tryon Street  
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Also Admitted in SC

December 6, 2013

**VIA ELECTRONIC FILING**

Ms. Jocelyn G. Boyd  
Chief Clerk and Administrator  
The Public Service Commission of South Carolina  
Synergy Business Park  
101 Executive Center Drive  
Columbia, South Carolina 29210

Re: GCRM-137, Docket No. 2006-401-G

Dear Ms. Boyd:

On behalf of Piedmont Natural Gas Company, Inc. ("Piedmont"), I have enclosed various schedules constituting Piedmont's GCRM-137.

The rate changes reflected in this filing, as shown on the attached schedules, are necessary to update Piedmont's rates to reflect changes in Piedmont's wholesale costs of gas. Wholesale futures contract prices for natural gas deliveries, as reflected on the New York Mercantile Exchange, are currently at levels below the \$4.50 commodity cost of gas reflected in Piedmont's rates.

Based on the differential between Piedmont's existing benchmark cost of gas and the futures wholesale price, as well as the current balance in its deferred gas cost account, Piedmont is at risk of overcollecting its wholesale gas costs in the near future if the benchmark cost of gas reflected in its rates is not decreased to \$4.25 per dekatherm as proposed herein. The relief requested herein will avoid such overcollection and will also ensure that the wholesale gas costs reflected in Piedmont's rates are reasonably consistent with the prevailing market price for natural gas, thereby avoiding the creation of artificial market signals/incentives to parties who utilize this commodity for fuel or process purposes. The rate changes proposed herein are a decrease of \$0.02544/therm for sales rate schedules (201, 202, 221, 232, 242, 252, 262, 203 and 204) and a decrease of \$0.00044/therm for transportation rate schedules (213 and 214).

Piedmont hereby requests approval of this GCRM filing in time to implement these rate changes effective with the first billing cycle in January 2014.

Charlotte, NC  
Research Triangle Park, NC  
Charleston, SC

Ms. Jocelyn G. Boyd  
December 6, 2013  
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If you have any questions regarding this matter, you may reach me at the number shown above.

Sincerely,

Moore & Van Allen, PLLC

s/ Scott M. Tyler  
Scott M. Tyler

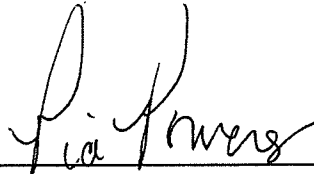
Enclosures

c: Mr. David Carpenter  
Ms. Pia Powers  
Mr. Jim Jeffries  
Office of Regulatory Staff (via email and overnight delivery)

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

VERIFICATION

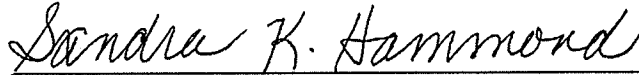
Pia Powers, being duly sworn, deposes and says that she is Director – Regulatory Affairs of Piedmont Natural Gas Company, Inc., that as such, she has read the foregoing Petition and knows the contents thereof; that the same are true of her own knowledge except as to those matters stated on information and belief and as to those she believes them to be true.



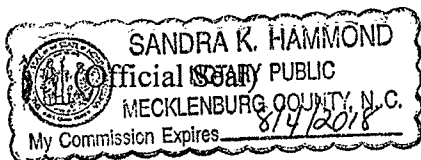
Pia Powers

Mecklenburg County, North Carolina  
Signed and sworn to before me this day by Pia Powers.

Date: December 5, 2013



Sandra K. Hammond, Notary Public



My commission expires: August 4, 2018

# **SCHEDULE A**

Piedmont Natural Gas Company, Inc.  
Purchase Gas Adjustment effective January 2014  
GCRM -137

South Carolina Rate Schedules:		Current November 2013 <u>Billing Rates</u>	Commodity Change	Proposed January 2014 <u>Billing Rates</u>
<b>201</b>	<b>Residential Service - Value</b>			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	0.91620	(0.02544)	0.89076
	Summer (Apr.-Oct.)	0.87236	(0.02544)	0.84692
<b>221</b>	<b>Residential Service - Standard</b>			
	Monthly Charge-winter	10.00		10.00
	Monthly Charge-summer	8.00		8.00
	Winter (Nov.-Mar.)	1.05462	(0.02544)	1.02918
	Summer (Apr.-Oct.)	1.04540	(0.02544)	1.01996
<b>205</b>	<b>Outdoor Gas Light Service</b>			
	Monthly Charge	15.00		15.00
<b>202</b>	<b>Small General Service-Standard</b>			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.97341	(0.02544)	0.94797
	Summer (Apr.-Oct.)	0.94551	(0.02544)	0.92007
<b>232</b>	<b>Small General Service-Value</b>			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)			
	First 2,000	0.93038	(0.02544)	0.90494
	Over 2,000	0.91024	(0.02544)	0.88480
	Summer (Apr.-Oct.)			
	First 2,000	0.85925	(0.02544)	0.83381
	Over 2,000	0.84045	(0.02544)	0.81501
<b>252</b>	<b>Medium General Service-Standard</b>			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)	0.92299	(0.02544)	0.89755
	Summer (Apr.-Oct.)	0.89264	(0.02544)	0.86720
<b>262</b>	<b>Medium General Service-Value</b>			
	Monthly Charge	75.00		75.00
	Winter (Nov.-Mar.)			
	First 5,000	0.87350	(0.02544)	0.84806
	Over 5,000	0.85005	(0.02544)	0.82461
	Summer (Apr.-Oct.)			
	First 5,000	0.80473	(0.02544)	0.77929
	Over 5,000	0.78717	(0.02544)	0.76173
<b>242</b>	<b>Small General Service-Motor Fuel</b>			
	Monthly Charge	22.00		22.00
	Winter (Nov.-Mar.)	0.87686	(0.02544)	0.85142
	Summer (Apr.-Oct.)	0.93820	(0.02544)	0.91276
<b>203</b>	<b>Large General Sales Service</b>			
	Monthly Charge	250.00		250.00
	Billing Demand (therms)	1.79812		1.79812
	Winter (Nov.-Mar.)			
	First 15,000	0.74514	(0.02544)	0.71970
	Next 15,000	0.67032	(0.02544)	0.64488
	Next 75,000	0.64928	(0.02544)	0.62384
	Next 165,000	0.54185	(0.02544)	0.51641
	Next 330,000	0.48653	(0.02544)	0.46109
	Over 600,000	0.45796	(0.02544)	0.43252
	Summer (Apr.-Oct.)			
	First 15,000	0.64179	(0.02544)	0.61635
	Next 15,000	0.59060	(0.02544)	0.56516
	Next 75,000	0.59944	(0.02544)	0.57400
	Next 165,000	0.52328	(0.02544)	0.49784
	Next 330,000	0.48153	(0.02544)	0.45609
	Over 600,000	0.45796	(0.02544)	0.43252

Piedmont Natural Gas Company, Inc.  
Purchase Gas Adjustment effective January 2014  
GCRM -137

South Carolina Rate Schedules:		Current November 2013 <u>Billing Rates</u>	Commodity Change	Proposed January 2014 <u>Billing Rates</u>
<b>204</b>	<b>Interruptible Sales Service</b>			
	Monthly Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.86782	(0.02544)	0.84238
	Next 15,000	0.80305	(0.02544)	0.77761
	Next 75,000	0.74480	(0.02544)	0.71936
	Next 165,000	0.70884	(0.02544)	0.68340
	Next 330,000	0.61512	(0.02544)	0.58968
	Over 600,000	0.49796	(0.02544)	0.47252
	Summer (Apr.-Oct.)			
	First 15,000	0.66994	(0.02544)	0.64450
	Next 15,000	0.61949	(0.02544)	0.59405
	Next 75,000	0.59576	(0.02544)	0.57032
	Next 165,000	0.56377	(0.02544)	0.53833
	Next 330,000	0.51786	(0.02544)	0.49242
	Over 600,000	0.46796	(0.02544)	0.44252
<b>213</b>	<b>Large General Transportation Service</b>			
	Monthly Charge	250.00		250.00
	Standby Demand	1.20161		1.20161
	Billing Demand (therms)	0.59651		0.59651
	Winter (Nov.-Mar.)			
	First 15,000	0.25192	(0.00044)	0.25148
	Next 15,000	0.18441	(0.00044)	0.18397
	Next 75,000	0.13820	(0.00044)	0.13776
	Next 165,000	0.09179	(0.00044)	0.09135
	Next 330,000	0.03678	(0.00044)	0.03634
	Over 600,000	0.00796	(0.00044)	0.00752
	Summer (Apr.-Oct.)			
	First 15,000	0.18343	(0.00044)	0.18299
	Next 15,000	0.13459	(0.00044)	0.13415
	Next 75,000	0.10890	(0.00044)	0.10846
	Next 165,000	0.07625	(0.00044)	0.07581
	Next 330,000	0.03153	(0.00044)	0.03109
	Over 600,000	0.00796	(0.00044)	0.00752
<b>214</b>	<b>Interruptible Transportation Service</b>			
	Monthly Charge	250.00		250.00
	Winter (Nov.-Mar.)			
	First 15,000	0.25087	(0.00044)	0.25043
	Next 15,000	0.18298	(0.00044)	0.18254
	Next 75,000	0.13360	(0.00044)	0.13316
	Next 165,000	0.08481	(0.00044)	0.08437
	Next 330,000	0.03794	(0.00044)	0.03750
	Over 600,000	0.00796	(0.00044)	0.00752
	Summer (Apr.-Oct.)			
	First 15,000	0.18232	(0.00044)	0.18188
	Next 15,000	0.13170	(0.00044)	0.13126
	Next 75,000	0.09990	(0.00044)	0.09946
	Next 165,000	0.07635	(0.00044)	0.07591
	Next 330,000	0.05169	(0.00044)	0.05125
	Over 600,000	0.00796	(0.00044)	0.00752

# **SCHEDULE B**

Piedmont Natural Gas Company, Inc.  
South Carolina  
Commodity Cost of Gas Calculation  
GCRM - 137

	<u>Annualized Throughput (DT) per Docket 2013-7-G Settlement Approved on 10/15/2013, Order No. 2013-750</u>	<u>Proposed Commodity Rate per (DT)</u>	<u>Total</u>
Sales	13,263,699	\$ 4.25	\$ 56,370,721
Transportation	4,793,495		
Total Throughput	18,057,194		
LAUF %	1.77%		
Company Use & Lost And Unacct For	319,612	\$ 4.25	\$ 1,358,351
Total Throughput			18,057,194
Calculated Rate - LAUF			0.0752
Proposed Sales Commodity Rate per DT			\$ 4.32520
Proposed Sales Commodity Rate per Therm			\$ 0.43252
Current Sales Commodity Rate per Therm			\$ 0.45796
Adjustment to Sales Commodity Rate			\$ (0.02544)
Proposed Transportation Commodity Rate Adjustment per DT			\$ 0.07520
Proposed Transportation Commodity Rate Adjustment per Therm			\$ 0.00752
Current Transportation Commodity Rate per Therm			\$ 0.00796
Adjustment to Transportation Commodity Rate			\$ (0.00044)
Current Benchmark			\$ 4.50
Proposed Benchmark			\$ 4.25



# **RATES AND CHARGES**

**SOUTH CAROLINA RATES AND CHARGES**

**Residential**

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**Residential Service - Value Rate 201**

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 0.89076
April - October	\$ 8.00	April - October	\$ 0.84692

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**Residential Service - Standard Rate 221**

Monthly Charge		Rate Per Therm	
November - March	\$ 10.00	November - March	\$ 1.02918
April - October	\$ 8.00	April - October	\$ 1.01996

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**Outdoor Gaslight Service - Rate 205**

Monthly Charge	\$ 15.00
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## SOUTH CAROLINA RATES AND CHARGES

## Commercial

**Small General Service - Standard Rate 202**

Monthly Charge	\$ 22.00	Rate Per Therm	
		November - March	\$ 0.94797
		April - October	\$ 0.92007

**Small General Service - Value Rate 232**

Monthly Charge	\$ 22.00	Rate Per Therm		
		November - March	First 2,000	\$ 0.90494
			Over 2,000	\$ 0.88480
		April - October	First 2,000	\$ 0.83381
			Over 2,000	\$ 0.81501

**Medium General Service - Standard Rate 252**

Monthly Charge	\$ 75.00	Rate Per Therm	
		November - March	\$ 0.89755
		April - October	\$ 0.86720

**Medium General Service - Value Rate 262**

Monthly Charge	\$ 75.00	Rate Per Therm		
		November - March	First 5,000	\$ 0.84806
			Over 5,000	\$ 0.82461
		April - October	First 5,000	\$ 0.77929
			Over 5,000	\$ 0.76173

**Small General Service - Motor Fuel Rate 242**

Monthly Charge *	\$ 22.00	Rate Per Therm		Rate Per GGE **
		November - March	\$ 0.85142	1.07279 **
		April - October	\$ 0.91276	1.15008 **

\* The Monthly Charge for Rate 242 is not applicable to gas service provided at the Company's Premises.

\*\* The Company may bill in units of Gasoline Gallon Equivalent ("GGE") for gas service provided at the Company's Premises under Rate 242. The rates above convert 1.26 Therms to 1 GGE.

## SOUTH CAROLINA RATES AND CHARGES

## Industrial

**Large General Sales Service - Rate 203**

Monthly Charge				\$	250.00
Demand Charge (monthly per peak day therm usage)				\$	1.79812
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.71970	First 15,000	\$	0.61635
Next 15,000	\$	0.64488	Next 15,000	\$	0.56516
Next 75,000	\$	0.62384	Next 75,000	\$	0.57400
Next 165,000	\$	0.51641	Next 165,000	\$	0.49784
Next 330,000	\$	0.46109	Next 330,000	\$	0.45609
Over 600,000	\$	0.43252	Over 600,000	\$	0.43252

**Interruptible Sales Service - Rate 204**

Monthly Charge			\$	250.00	
Rate Per Therm					
	<u>November - March</u>		<u>April - October</u>		
First 15,000	\$	0.84238	First 15,000	\$	0.64450
Next 15,000	\$	0.77761	Next 15,000	\$	0.59405
Next 75,000	\$	0.71936	Next 75,000	\$	0.57032
Next 165,000	\$	0.68340	Next 165,000	\$	0.53833
Next 330,000	\$	0.58968	Next 330,000	\$	0.49242
Over 600,000	\$	0.47252	Over 600,000	\$	0.44252

**Large General Transportation Service - Rate 213**

Monthly Charge				\$	250.00
Demand Charge (monthly per peak day therm usage)				\$	0.59651
Standby Sales Service Charge (monthly per peak day therm usage)				\$	1.20161
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.25148	First 15,000	\$	0.18299
Next 15,000	\$	0.18397	Next 15,000	\$	0.13415
Next 75,000	\$	0.13776	Next 75,000	\$	0.10846
Next 165,000	\$	0.09135	Next 165,000	\$	0.07581
Next 330,000	\$	0.03634	Next 330,000	\$	0.03109
Over 600,000	\$	0.00752	Over 600,000	\$	0.00752

**Interruptible Transportation Service - Rate 214**

Monthly Charge				\$	250.00
Rate Per Therm					
	<u>November - March</u>			<u>April - October</u>	
First 15,000	\$	0.25043		First 15,000	\$ 0.18188
Next 15,000	\$	0.18254		Next 15,000	\$ 0.13126
Next 75,000	\$	0.13316		Next 75,000	\$ 0.09946
Next 165,000	\$	0.08437		Next 165,000	\$ 0.07591
Next 330,000	\$	0.03750		Next 330,000	\$ 0.05125
Over 600,000	\$	0.00752		Over 600,000	\$ 0.00752

Docket No. 2013-7-G, Order No. 2013-750

**SOUTH CAROLINA RATES AND CHARGES**

**Miscellaneous Fees And Charges**

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**Schedule For Limiting And Curtailing Service - Rate 206**

Emergency Service Rate Per Therm	\$ 1.00	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.
Unauthorized Over Run Penalty Per Therm	\$ 2.50	In addition to commodity prices as defined in Rate Schedule 206, Rate For Emergency Service.

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**Reconnect Fees**

February Through August	\$ 40.00
September Through January	\$ 60.00

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**Returned Check Charge**

Returned Check Charge	\$ 25.00
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**Governmental Taxes and Fees**

Customers shall also pay all applicable taxes, fees and assessments levied by governmental authorities having jurisdiction.

Issued by Thomas E. Skains, Chairman, President and CEO  
Issued to comply with the authority granted by  
The Public Service Commission of South Carolina  
Docket No. 2006-401-G, GCRM - 137

Issued: December 6, 2013  
Effective: January 2014

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that copies of the attached documents are being served this date via email and UPS Overnight (1 copy) upon:

John W. Flitter  
Florence P. Belser  
Nanette Edwards  
Office of Regulatory Staff  
1401 Main Street  
Suite 900  
Columbia, South Carolina 29201  
jflitter@regstaff.sc.gov  
fbelser@regstaff.sc.gov  
nsedwar@regstaff.sc.gov

And that copies of the attached documents are being served this date via email and U.S. Mail upon:

David Carpenter  
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Pia Powers  
Director - Regulatory Affairs  
Piedmont Natural Gas Company, Inc.  
P.O. Box 33068  
Charlotte, North Carolina 28233  
pia.powers@piedmontng.com

This the 6th day of December, 2013.

s/ Scott M. Tyler  
Scott M. Tyler